21 December 2017

Cambium Global Timberland Limited (the "Company")

3R Properties Release of Mortgages, and associated Loan Agreement

The Company announces that it has today entered into a settlement agreement with Banco da Amazônia S.A. ("**BASA**) to remove the mortgages over the company's 3R property in Tocantins State, Brazil.

The mortgages pre-dated the Company's acquisition of 3R, and remained in place as part of the purchase deal negotiated by the Company's investment managers at the time. The mortgages were counter-balanced by a limited indemnity in favour of the Company over the vendors' properties at Lizarda.

The liability to BASA under the mortgages has been crystallised at a total cost to the Company in the region of £1,413,874, including fees and legal expenses, significantly lower than the balance sheet provision of £4,604,278 (Note 16, Financial Statements to 30 April, 2017). The transaction enables the Company also to remove the previous provision for the sum of £235,226 (R$967,719) withheld from the purchase price at the time Cambium bought 3R subject to the mortgages. Closing the settlement transaction is subject to the procedural requirement of ratification by the Court in Tocantins, in relation to which the Company is advised there is no material risk. The Company intends to pursue the enforcement, as a set-off against its crystallised liability to BASA, of its rights of indemnity against the Lizarda properties.

The Company also announces that financial support for the release of the mortgages, enabling the Company to avoid depleting existing cash balances, was provided by the Company's largest shareholder Peter Gyllenhammar AB ("PGAB"), by way of an unsecured loan funding facility for up to £1.4m to cover the settlement and related costs (the "Loan"). The interest rate is 6% for the first 12 months and thereafter 8%. PGAB has agreed not to have recourse against the existing cash balances. There is no specified repayment date (and consequently no default interest rate) and the Company is only required to repay the Loan or pay interest out of cash flow from the land and/or timber assets presently held in Brazil which is surplus to requirements. The loan agreement contains borrower covenants requiring lender consent for the Company to return to shareholders in excess of approximately £2,000,000 of the cash presently held, to purchase own shares for more than 12p per share, to declare or pay any dividend, or to make any significant new investment (not including asset maintenance or repair costs).

The Board sees the removal of the BASA mortgages as a positive step towards the eventual disposal of 3R in line with the Company's stated investment strategy.

As PGAB holds 28.82% of the Company's issued share capital, the Loan constitutes a related party transaction for the purposes of the AIM Rules for Companies. The Directors consider, having consulted with WH Ireland Limited, Nominated Adviser, that the terms of the Loan are fair and reasonable insofar as the Company's shareholders are concerned.

For further enquiries please contact:

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Sub-Administrator and Delegate Company Secretary
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Inside information
The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014). Upon the publication of this announcement via Regulatory Information Service this inside information is now considered to be in the public domain.

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